## **Introduced by Assembly Member Oropeza**

February 17, 2005

An act to amend Section 2101 of, and to amend the heading of Chapter 3 (commencing with Section 2100) of Division 3 of, the Streets and Highways Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 697, as introduced, Oropeza. Highway Users Tax Account: appropriation of funds.

Article XIX of the California Constitution requires revenues from state excise taxes on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the cost of collection and any refunds authorized by law, to be used for various street and highway purposes and for certain mass transit guideway purposes. Existing law requires state excise fuel tax revenues to be deposited in various accounts and to be allocated, in part, for various purposes, including the cost of collection and authorized refunds. Existing law requires the balance of these funds remaining after authorized deductions to be transferred to and deposited monthly in the Highway Users Tax Account in the Transportation Tax Fund. Existing law provides for formula apportionment of specified revenues in the Highway Users Tax Account to cities and counties for the transportation purposes authorized by Article XIX of the California Constitution, and generally requires the remaining revenues to be transferred to and deposited in the State Highway Account in the State Transportation Fund. Existing law provides that the money in

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the Highway Users Tax Account is appropriated for the above-described transportation purposes, but also generally provides that the money in the State Highway Account may not be expended until appropriated by the Legislature.

This bill, in any year in which the Budget Act has not been enacted by July 1, would provide that all moneys in the Highway Users Tax Account in the Transportation Tax Fund from the prior fiscal year are continuously appropriated and may be encumbered for certain purposes until the Budget Act is enacted. The bill would thereby make an appropriation. The bill would authorize the Controller to make estimates in order to implement these provisions.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. Statemandated local program: no.

*The people of the State of California do enact as follows:* 

SECTION 1. The heading of Chapter 3 (commencing with Section 2100) of Division 3 of the Streets and Highways Code is amended to read:

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## Chapter 3. Highway Users Tax Fund Account

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- SEC. 2. Section 2101 of the Streets and Highways Code is amended to read:
- 2101. (a) All moneys in the Highway Users Tax Account in the Transportation Tax Fund and hereafter received in the account are appropriated for all of the following:

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(1) The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for nonmotorized traffic), including the mitigation of their environmental effects, the payment for property taken or damaged for such those purposes, and the administrative costs necessarily incurred in the foregoing purposes.

20 (<del>b)</del>

(2) The research and planning for exclusive public mass transit
guideways (and their related fixed facilities), the payment for

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property taken or damaged for such those purposes, and the administrative costs necessarily incurred in the foregoing purposes.

<del>(e)</del>-

(3) The construction and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such those purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways, but excluding the maintenance and operating costs for mass transit power systems and mass transit passenger facilities, vehicles, equipment, and services, in any area where the voters thereof have approved a proposition pursuant to Section 4 of Article XIX of the California Constitution.

<del>(d)</del>

- (4) The payment of principal and interest on voter-approved bonds issued for the purposes specified in subdivision (e) paragraph (3).
- (e) Notwithstanding Section 13340 of the Government Code or any other provision of law, in any year in which a Budget Act has not been enacted by July 1 for the fiscal year beginning on July 1, all moneys in the Highway Users Tax Account in the Transportation Tax Fund from the prior fiscal year are hereby continuously appropriated and may be encumbered for the prior fiscal year appropriations and for the purposes specified in this section until the Budget Act for the fiscal year beginning July 1 is enacted. To the extent necessary to implement this subdivision, the Controller may make estimates of appropriations and apportionments, as the case may be, for the purpose of making apportionments or transfers specified in this chapter. Upon enactment of a Budget Act for the fiscal year beginning July 1, the Controller shall make necessary adjustments to reflect actual appropriations and apportionments.
- SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

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- 1 In order to provide a continued flow of funds for previously
- 2 authorized transportation projects and purposes in the event enactment of a Budget Act is delayed beyond July 1, it is necessary that this act take effect immediately.